

PROFESSIONAL SERVICES AGREEMENT

~ Website Services ~

This Professional Services Agreement ("Agreement") is made by and between the EAGLE URBAN RENEWAL AGENCY, an independent public body corporate and politic, organized and existing under the laws of the State of Idaho and known as the urban renewal agency of the City of Eagle, Idaho ("EURA"), and Valice, Inc. an Idaho Corporation (referred to herein as "Consultant").

WHEREAS, EURA desires to hire Consultant to provide professional services upon the terms and conditions set forth herein in order to accomplish the applicable scope of services set forth on "Exhibit A" attached hereto based upon the compensation terms set forth in "Exhibit B" attached hereto, and

WHEREAS, Consultant desires to perform those services set forth on "Exhibit A" and agrees to do so for the compensation set forth on "Exhibit B" and in accordance with the rights and obligations set forth in this Agreement, and

WHEREAS, EURA and Consultant enter into this Agreement in furtherance of the public purpose, goals and objectives of EURA and its Board of Commissioners.

NOW THEREFORE, for consideration, the parties agree as follows:

~ AGREEMENT ~

1. **SCOPE OF WORK:** Consultant agrees to perform those services for EURA as identified on "Exhibit A" attached hereto and by this reference incorporated herein. Consultant will provided the design, programming and hosting services list in Exhibit A. The parties may modify the Scope of Services only by written amendment to this Agreement.

2. **FEES:** EURA agrees to pay Consultant for services rendered under this Agreement as specified on "Exhibit B" attached hereto and by this reference incorporated herein.

3. **TERM:** This Agreement shall commence as of January May 7, 2013 and shall remain in effect until September 31, 2013 or until the Agreement is terminated as provided herein.

4. **INDEPENDENT CONTRACTOR RELATIONSHIP:** Consultant is an independent consultant and is not an employee, servant, agent, partner, or joint venture of or with EURA. EURA shall determine the work to be done by Consultant, but Consultant shall determine the legal means by which it accomplishes the work specified by EURA. This Agreement shall not be construed to create any employer-employee relationship between EURA and Consultant. EURA agrees that it will have no right to control or direct the details, manner, or means by which Consultant accomplishes the results of the services performed hereunder. Consultant has no obligation to work any particular hours or days or any particular number of hours or days. Consultant agrees, however, that its other contracts and services shall

not interfere with its performance under this Agreement and that Consultant shall meet all deadlines imposed by EURA. Consultant will use only qualified personnel to provide the services noted in the scope of services. Consultant has sole discretion regarding which team members provide services to EURA but will provide EURA with written notice of any changes in the team members providing services to EURA.

5. **RECORDS, ACCESS AND AUDITS:** Consultant shall maintain complete and accurate records with respect to costs incurred and labor expended under this Agreement. All such records shall be maintained according to generally accepted accounting principles, shall be clearly identified, and shall be readily accessible. Such records shall be available for review by EURA representatives for two (2) years after final payment. Copies shall be made available to EURA upon request.

6. **FEDERAL, STATE AND LOCAL PAYROLL TAXES:** Neither federal, state or local income taxes, nor payroll taxes of any kind shall be withheld and paid by EURA on behalf of Consultant or the employees of Consultant. Consultant shall not be treated as an employee with respect to the services performed hereunder for federal or state tax purposes. Consultant understands that Consultant is responsible to pay, according to law, Consultant's income tax. Consultant further understands that Consultant may be liable for self-employment (Social Security) tax to be paid by Consultant according to law.

7. **LICENSES AND LAW:** Consultant represents that it possesses the requisite skill, knowledge, and experience necessary, as well as all licenses required to perform the services under this Agreement and the scope of services identified in "Exhibit A". Consultant agrees to comply with all applicable Eagle City Code and any amendments thereto, the laws of the State of Idaho, any other applicable ordinances, and codes of Federal, State, and local governments or applicable regulatory agencies in the performance of the services hereunder.

8. **FRINGE BENEFITS:** Because Consultant is engaged in its own independently established business, Consultant is not eligible for, and shall not participate in, any employee pension, health, or other fringe benefit plans of EURA, if any.

9. **INSURANCE AND WORKER'S COMPENSATION:** Consultant shall maintain worker's compensation insurance as required and in accordance with Idaho law. Consultant shall at all times during its Contract or Agreement with EURA maintain liability insurance in which EURA shall be named as an additional insured in the minimum amounts as follows: General Liability (\$2,000,000.00) per incident or occurrence, Professional Liability/errors and omissions (\$1,000,000.00) aggregate, automobile liability insurance (\$1,000,000.00) per incident or occurrence. The limits of insurance shall not be deemed a limitation of the covenants to indemnify, save and hold harmless MDC.

10. **EQUIPMENT, TOOLS, MATERIALS, and SUPPLIES:** Consultant shall provide, at Consultant's sole expense, all equipment, tools, materials, and/or supplies necessary to accomplish the services to be provided herein.

11. **PROPRIETARY RIGHTS:** The Customer will own all of its proprietary information as included in the Services, as well as all source code, object code, screens, documentation, digital programming, operating instructions, design concepts, content, graphics, domain names, and characters. All services provided by the Company, including systems, computer programs, operating instructions, unique design concepts, other documentation developed for or specifically relating to the Customer's information processing, all of the Customer's source documents, stored data and other information of any kind, and reports and

notes prepared by the Company, will be "works for hire" under applicable United States copyright laws, and therefore the property of the Customer. Upon request by the Customer, the Company will furnish to the Customer a CD/DVD copy of any electronically available media for \$30 per CD/DVD. The Company does reserve the right to use such works for the purpose of demonstration and promotion.

Notwithstanding any other provision of this Agreement, the Services may include some programming code that the Company has previously developed for its own use (the "Company's Prior Code"). The Company expressly retains full Ownership of such code, including all associated rights to use such code. However, the Company also grants to the Customer and its users a perpetual, non-exclusive license to use the Company's Prior Code. Any programming that includes the Company's Prior Code shall include such copyright notices regarding the Company's Prior Code as the Company may require.

12. **CONFIDENTIALITY:** Consultant agrees to maintain the confidentiality of all work product produced under this Agreement, including without limitation both interim and draft, materials, reports, graphics, and any other documents unless and until EURA signifies its written approval that such work product may be disclosed to third parties.

13. **ENTIRE AGREEMENT:** This Agreement, along with any and all Exhibits attached hereto and incorporated herein by reference, contains the entire Agreement of the parties and supersedes any and all other agreements or understandings, oral or written, whether previous to the execution hereof or contemporaneous herewith.

14. **GENERAL ADMINISTRATION AND MANAGEMENT:** The Chairman of EURA or his/her designee shall be EURA's representative and shall oversee and approve all services to be performed, coordinate all communications, review and approve all invoices, and carry out any and all tasks as may be required under this Agreement.

15. **AMENDMENTS:** This Agreement may be amended only in writing upon mutual agreement of both EURA and Consultant.

16. **ASSIGNMENT:** It is expressly agreed and understood by the parties hereto that Consultant shall not have the right to assign, transfer, hypothecate, or sell any of its rights under this Agreement except upon the prior express written consent of EURA.

17. **TERMINATION OF AGREEMENT:** Each party reserves the right to terminate this Agreement at any time, for any reason or no reason, by giving at least thirty (30) days' notice in writing to the other party. If this Agreement is terminated as provided herein, Consultant shall be paid an amount for all work in progress that has been satisfactorily completed as of the date the notice of termination is provided yet not invoiced. Upon termination Consultant shall transfer, assign and make available to EURA all property and materials in Consultant's possession or control belonging to and paid for by EURA.

18. **WARRANTY.** Consultant warrants that all work, deliverables and services provided will be performed and provided in good faith and in a good workmanlike manner and will be free from defect or faulty workmanship under normal use. During the Consultant's recommended testing period and for a period of thirty (30) days following completion of the testing, Consultant will correct without cost to EURA any anomalies or that occur due to defects in the source code. This warranty does not cover items damaged, modified or misused after delivery by Consultant. EURA warrants it owns or has the requisite authorization or license to

use all information and materials provided by EURA for use in the services provided by Consultant and/or inclusion on the EURA website.

19. **NOTICES:** Any and all notices required to be given by either of the parties hereto, unless otherwise stated in this Agreement, shall be in writing and be deemed communicated when mailed in the United States mail, certified, return receipt requested, addressed as follows:

To EURA:

Jim Reynolds, Chairman
Eagle Urban Renewal District
Eagle City Hall
660 E. Civic Lane
Eagle, Idaho 83616

To Consultant:

Jenna Haener
Valice, Inc.
2741 Airport Way
Boise, Idaho 83705

20. **DISCRIMINATION PROHIBITED:** In performing the services required herein, Consultant agrees not to discriminate against any person on the basis of race, color, religion, sex, national origin or ancestry, age, or handicap. Violation of this section shall constitute a material breach of this Agreement and deemed grounds for cancellation, termination, or suspension of the Agreement by EURA, in whole or in part, and may result in ineligibility for further work for EURA.

21. **INDEMNIFICATION:** Consultant agrees to indemnify, defend, and hold harmless EURA and its officers, agents, consultants, and employees from and against any and all liability, claims, losses, actions, or judgments, including any costs and attorney's fees incurred therein, for damages, losses, or injury to EURA, persons or property for any negligent act, error or omission arising out of or in connection with any breach of the Agreement or performances or activities of Consultant or its officers or employees under this Agreement. To the extent permitted by law, EURA agrees to indemnify, defend, and hold harmless Consultant and its officers, agents, and employees from and against any and all liability, claims, losses, actions, or judgments, including any costs and attorney's fees incurred therein, for damages, losses, or injury to persons or property for any negligent act, error or omission arising out of or in connection with any breach of this Agreement or performances or activities of EURA or its officers or employees under this Agreement.

22. **NONWAIVER:** Failure of either party to exercise any of the rights under this Agreement or breach thereof shall not be deemed to be a waiver of such right or a waiver of any subsequent breach.

23. **APPLICABLE LAW:** Any dispute under this Agreement or related to this Agreement shall be decided in accordance with the laws of the state of Idaho with venue for any disputes to occur exclusively in Ada County, Idaho.

24. **SEVERABILITY:** If any part of this Agreement is held unenforceable, the remaining portions of the Agreement will nevertheless remain in full force and effect.

25. **ATTORNEY FEES:** Should any litigation be commenced between the parties hereto concerning this Agreement, the prevailing party shall be entitled, in addition to any other relief as may be granted, to costs and reasonable attorneys' fees as determined by a court of competent jurisdiction. This provision shall be deemed to be a separate contract between the parties and shall survive any default, termination, or forfeiture of this Agreement.

26. **DISPUTES:** In the event that a dispute arises between EURA and Consultant regarding application or interpretation of any provision of this Agreement, the aggrieved party shall promptly notify the other party to this Agreement of the specific dispute within ten (10) days after such dispute arises. Nothing contained herein shall impair the right of termination set forth in paragraph 17. If the parties shall have failed to resolve the dispute within thirty (30) days after delivery of such notice, the parties agree to first endeavor to settle the dispute in an amicable manner by mediation or other process of structured negotiation under the auspices of a nationally or regionally recognized organization providing such services in the Northwestern States or otherwise as the parties may mutually agree before resorting to litigation. Should the parties be unable to resolve the dispute to their mutual satisfaction within ninety (90) days from when the notice of dispute is provided, each party shall have the right to pursue any rights or remedies it may have at law or in equity.

27. **SUCCESSORS IN INTEREST:** The provisions of this Agreement shall be binding upon and shall inure to the benefit of the parties hereby and their respective successors and assigns.

IN WITNESS WHEREOF, EURA and Consultant have executed this Agreement as of the dates noted below.

EAGLE URBAN RENEWAL AGENCY

By: 

Jim Reynolds - Chairman

Date: 5/7/13

Attest: 

Secretary

CONSULTANT

By: 

Jenna Haener - Director of Customer Service and Support

Date: 5/6/13

EXHIBIT A

Scope of Services



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Eagle Urban Renewal Site Redesign

Services Prepared for: Eagle Urban Renewal | February 25, 2013

Project Summary

Valice has prepared an estimate for the site redesign of eagleurbanrenewal.org over to the WordPress content management system. Valice will work with Eagle Urban Renewal to migrate content and images over to the WordPress content management system and provide training.

Project Requirements

- Site migration over to the WordPress content management system
- News blog posts
- Projects portfolio
- Online newsletter form integration
- Archive of meeting agendas and minutes

Assumptions

- Eagle Urban Renewal will supply Valice with any new vector graphics and/or logos that it wishes to display within the website
- Eagle Urban Renewal will supply Valice with any new photography (along with usage rights) that it wishes to display within the website.
- Valice will migrate existing content

Our Approach

Website Development and Content Management

Whenever possible Valice leverages open-source resources and platforms which not only create programming and development efficiencies – which are passed on to clients – but more importantly, allow development of custom applications and functionality onto the systems. The platform recommendation and decision is primarily based on the immediate and future functionality needs of the website. Content management platforms each have built-in strengths suited for different applications. Valice is very familiar with all of the most reputable systems.

Given the initial information and current site elements, the WordPress content management system is recommended for the following reasons:

- Widely installed and supported user-base with major corporations and news outlets utilizing this platform.
- Search Engine Optimization settings built into the WordPress platform.
- WordPress has a very easy to use interface for editing pages with no html or technical know-how

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Scope of Proposed Services

Website with New Design

WordPress Installation and Training

- WordPress Installation
- Site menu setup
- Page layout configurations (sidebars and footers)
- Friendly URL (Permalink) settings
- 1 hour of one-on-one training and access to the Valice support knowledge base 2 hours

Theme Configuration

- Configuration of new design elements to WordPress theme
- Content Migration 7 - 8 hours

Wordpress Plugins for Enhanced Functionality

- Configuration of online newsletter form signup 1 hour
- Configuration of news post type 2 hours
- Configuration of project portfolio 2 hours

Total Hours	14 - 18 hours
Migration/Design Rate	\$150 / hour
Total	\$2,100 - \$2,250
DNN Discount	50%
Total	\$1,050 - \$1,125



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Website Hosting

Website Hosting

Managed Linux Hosting

500 MB website storage

10 GB data transfer

\$377.52 / year

FTP management assistance

Email configuration assistance

Maintenance and Support (optional)

Webmaster Support Plan

Priority 24/7 service

Up to 2 service request tickets per month*

1 authorized support contact

1 website covered

\$50 / month

Support ticket items include website text updates, image updates, link updates, image compressing/resizing, file transfer assistance, file uploads, blog posts or category assignment/creation, web page additions, page renames, code snippet inserts, website user additions/edits/removals and other website maintenance requests requiring no more than 30 minutes. Items not covered under the "service request" definition will be considered professional service and billed at a rate of \$125 /hour upon approval. Accounts that do not have an active webmaster maintenance plan will be billed at a rate of \$150 /hour upon approval.

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Company and Capabilities

Valice is a hosting technology provider with the in-house and on-site resources (designers, developers, support technicians) to understand growth-oriented businesses' internal application and process needs. We **recommend, execute and support** the most effective technology solutions at the individual organization level. This approach is the same for the mom and pop company who might initially just need a do-it-yourself hosted site builder, and the enterprise looking to improve internal communication through a hosted Intranet system. This **end-to-end breadth of expertise** combined with more intimate customer relationships make Valice unique.

Capabilities

Technology Services

- Web Hosting
- VPS Hosting
- Dedicated Server Hosting
- Cloud File Storage
- Managed IT Services
- Email Hosting

Programming

- Website Programming
- ASP.NET, PHP, AJAX, JQUERY, XHTML, CSS
- Custom and/or Open Source Content Management
- Ecommerce Development
- Web-based Application Development
- Custom System Integrations and Solutions

Design and Marketing

- Branding and Identity Development
- Website Design
- Adobe Flash Design
- Email Campaign Development
- Online Search Engine Optimization
- Offline Search Engine Optimization
- Content Writing

Customer Support

- 24-7 in-house call center and email support
- Web-based live chat and secure online support portal and ticketing system
- 2-hour response times for technical requests
- 4-hour response times for design and programming requests

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Company History and Background

Valice was formed out of the merger between Outerworld Networking and The White Space in 2008. Businesses' needs for both technical and marketing expertise for web-based solutions drove this seamless partnership.

Outerworld was established in 1997 as a small hosting and programming provider and had grown to service and manage over 200 accounts by the time of the merger. The company employed information technology and programming expertise as well as a significant and state-of-the-art hosting infrastructure.

The White Space was established in 2006 and offered creative design and marketing services geared toward a small business clientele that had reached over 100 customers by the time of the merger. The company employed design and marketing professionals with larger agency experience who could take the elements and plans that worked for large companies and translate them into solutions for small businesses and startups.

Valice now services over 1,500 active subscriptions, many of whom utilize Valice for recommending, executing and supporting websites, mobile apps, web-based software and tools. Our core team has a combined 40 years of development experience and 25 years of design experience – but more importantly – the shared values of a can-do approach to problems, a passion for helping businesses grow, and a zealous spirit for customer support.

Key Personnel

Kyle Bigelow | Project Manager

Kyle Bigelow has worked extensively with local businesses focusing on website strategy and marketing communications. After graduating from Boise State University with a Bachelors of Business Administration in Marketing, he went on to work for a solar startup company where he managed over 200 accounts of various project sizes. His detail oriented coordination and communication keeps clients involved and ensures lasting relationships beyond the website development project.

Kate Anderson | Visual Director

In her seventeen years since starting her career in graphic design, Kate has had many opportunities that have allowed her to focus on several different areas of design – including corporate identity/brand management, promotional and marketing collateral, in-house corporate design, and direct mail. She began with a BFA in graphic design from the University of Denver, and has worked in the Denver, Seattle and Boise markets. Kate loves the creative process and counts on her knowledge of the Adobe Creative Suite programs and her eye for design and detail to tackle any creative challenge.

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Patrick Perkins | Senior Developer

Patrick, also known as the WordPress Wizard, has extensive website development experience – specializing in PHP, SQL, SMLS, PERL, HTML5, and CSS. Most recently he oversaw the entire website environment for College of Western Idaho. Patrick enthusiastically joined Valice to put his WordPress and PHP development energy to work with the exciting client projects here at Valice.

Ryan Nielson | Website Developer

Ryan has designed, developed and maintained pixel perfect websites that meet design requirements and the best practice standards in the industry. He has a background in both design and programming which makes him a tremendous asset in balancing good design with efficient functionality. Therefore, Ryan is typically most involved in the front-end user interface elements of website and development projects.

Infrastructure

Our servers are located in a state-of-the-art data center in Boise, ID. Some highlights of the facility include:

- Parallel redundant N+1 Liebert UPS battery backup systems for short-term, immediate power protection
- Multiple Caterpillar Megawatt generators designed to handle any longer term power outage scenarios
- Cooling provided by Liebert air handlers utilizing an energy efficient York chilled water/glycol system with redundant pumps
- Fire protection is provided by a pre-action dry-pipe system that is controlled by a high-end VESDA smoke control center for advanced early stage detection

We own, operate, and manage over 50 physical servers/devices in the data center itself, many of which utilize virtualization technologies allowing them to be partitioned into multiple operating system environments.

Dell is our preferred equipment provider and nearly all of our equipment has been purchased through them (the only exceptions are a handful of specific devices that Dell doesn't manufacture). We have a dedicated team that we work with when purchasing new hardware and with whom we have regular check-ups with. Equipment in our data center is under warranty – mission critical 24/7 4-hour onsite support – for as long as it's in service.

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As a hosting provider we are required to support multiple platforms. A large majority of the servers we maintain are either Linux or Windows (varying versions/flavors) but we do support a number of other/proprietary systems.

Uptime

Our first priority as a hosting company is to ensure that our infrastructure is up and running and available 24/7. Most of our infrastructure is virtualized which provides the benefit of snapshots, redundant shared storage, hot-swap failover from one hardware node to another, and so on. Our target is 99.99% – which means our infrastructure cannot have an unplanned downtime that lasts more than 5 minutes in a given month, and we have a proven track record of achieving and exceeding that since our founding in 1997.

Discussions around high-availability can be tricky, in particular because having the infrastructure up is only one factor in determining whether a website or service will actually be reachable by end users. Other factors (primary factors) include the website code itself, database logic when applicable, number of users accessing the site or service, outside influences such as denial of service attacks, and so on. To combat those factors, we continually monitor sites and services, notify customers of potential problems, and work with them and make improvement recommendations accordingly on a case-by-case basis.

We do of course perform scheduled maintenance activities but by and large these can and are performed without any downtime. In the event that a maintenance activity will require downtime, customers on affected servers are notified well in advance and those activities are performed during off-peak hours.

Security

We take security very seriously and as a hosting provider it is one of our primary concerns. In terms of physical security, access to our servers requires key and keycard entry at the main entryway, keycard entry into the actual server room, and then the cage itself requires a separate key. The entire data center is also secured by video surveillance and an intrusion detection alarm system.

Concerning application security, while we intentionally do not provide specific details concerning our security infrastructure, all applications and services are protected by perimeter firewall devices with intrusion detection capabilities. Physical console access to our core servers is extremely limited, and routine audits are performed to check for potential vulnerabilities.

Backup Protocols

Generally speaking our servers are backed up at least nightly. We do this for our own disaster recovery purposes. Various services however are backed up on different schedules including hourly and even continuously in some cases. We also implement and execute on custom backup strategies on a per-client basis given their specific needs/requirements.



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Hardware/Software Upgrades

The frequency of hardware and software upgrades depends on the service and situation. Our general practice concerning software upgrades, especially in the case of new technology, is to wait until at least one service pack/release has been published. Depending on user demand though, in certain cases we will make new technology available in isolated environments. Critical hot fixes are evaluated on a case-by-case basis.

Concerning hardware, our practice is to never over utilize a server. We constantly monitor performance and move sites and services around as needed to prevent such conditions from occurring.

When new equipment is purchased, generally speaking our most critical or highly used applications and services are migrated to the new hardware, and then propagated accordingly. This provides two key benefits. The first is it ensures that our customers are on a continual upgrade path without the typical costs associated. The second is it allows us to extend the life of our hardware without negatively impacting users, which ultimately lowers the cost of operations and allows us to remain price competitive.

Bandwidth and Speed

We have multiple redundant 10 Gigabit Ethernet fiber backbone connections coming into the data center. Actual bandwidth allocations are/can be customized per plan and based on specific needs/requirements.

Technical and Website Support

Our technical support team is available in the office on a 24/7 basis. Response times for support issues vary, however our maximum acceptable response time is 2 hours. Issues are generally handled immediately and are either resolved over the phone or within 30 minutes if submitted through the ticketing system on our website.

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EXHIBIT B
Payment of Fees

Consultant shall invoice EURA upon completion of the initial work to design the new website in the amounts and at the rates noted in Exhibit A. Consultant shall invoice EURA monthly for website hosting and maintenance and support services in the amounts and at the rates noted in Exhibit A. If applicable, billable time will be rounded up or down to the nearest quarter hour with the minimum billing time being one quarter hour. All invoices to be paid by EURA within thirty (30) days of receipt of the proper invoice. Invoices not paid within sixty (60) days shall incur a three percent (3%) finance charge on the balance owed. EURA will pay or reimburse Consultant for out of pocket expenses which may include long distance phone charges, express mail costs, out of town mileage at \$.051 per mile. Other travel and lodging expenses will be reimbursed if they are approved in advance by EURA.